GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

STARRED QUESTION NO:543
ANSWERED ON:05.05.2008
PRODUCTION OF EDIBLE OILS
Bose Shri Subrata;Mahato Shri Narahari

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the production of edible oils in the country has been declining over the years and is likely to decline further during the current year;

(b) if so, the details thereof and the reasons therefor indicating the demand, supply and import of edible oils during the last three years and in the current year, State-wise and year-wise;

(c) whether the diversion of edible oils to bio-fuel has led to rise in the prices of edible oils;

(d) if so, the details thereof; and

(e) the steps taken by the Government to increase production to ensure sufficient availability of edible oils in the country?

Answer

MINISTER OF AGRICULTURE AND MINISTER OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (SHRI SHARAD PAWAR)

(a), (b), (c), (d) & (e) : A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF THE STARRED QUESTION NO. 543 DUE FOR ANSWER ON 05.05.2008 IN THE LOK SABHA.

(a): No, Sir. A statement indicating the production of oilseeds and net availability of edible oils for the years 2001-02 to 2007-08 is kept at Annexure-I.

(b): Does not arise.A Statement of demand, supply and import of edible oils is kept at Annexure-II.

(c): No, Sir.No diversion of edible oils to bio-fuel has been reported in India.

(d): Does not arise.

(e): Some of the steps taken/being taken by the Government to increase production of oilseeds and availability of edible oils in the country are as under:-

1. Implementation of Centrally Sponsored Integrated Scheme for Oilseeds, Pulses, Oil Palm and Maize (ISOPOM) in certain States, financial assistance for Oil Palm Development and purchase of breeder seed, production of foundation seed, production and distribution of certified seed, Integrated Pest Management etc.

2. Indian Council of Agricultural Research (ICAR) is engaged in development of high yielding improved varieties, production and protection technologies in oilseeds for increasing the production and productivity and to make oilseeds cultivation profitable to farmers.

3. Enhanced incentives to the farmers through fixation of higher Minimum Support Price (MSP) of major oilseeds.

4. In order to encourage production of solvent extracted oils in the country and to promote export of extractions, excise duty on food grade hexane has been reduced to 14%.

5. Import of oilseeds/edible oils except copra/coconut oil has been allowed on Open General Licence (OGL).

6. W.e.f. 01.04.2008, import duty on crude and refined edible vegetable oils has been reduced to zero and 7.5% respectively.

7. State Governments have been allowed to impose stock limits on edible oils and oilseeds.

8. Export of all major edible oils has been banned w.e.f. 17.3.2008.

9. The Government has implemented a Scheme for supply of one million tons of edible oil through State Governments with a subsidy of Rs. 15/- per Kg. of edible oil.